



General Assembly

January Session, 2007

Raised Bill No. 1289

LCO No. 4521

04521____ENV

Referred to Committee on Environment

Introduced by:
(ENV)

***AN ACT CONCERNING THE EXPANSION OF THE BEVERAGE
CONTAINER REDEMPTION PROVISIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22a-243 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 For purposes of sections 22a-243 to 22a-245, as amended by this act,
4 and sections 4 and 6 of this act, inclusive, unless the context clearly
5 indicates otherwise:

6 (1) "Beverage" means beer or other malt beverages, [and mineral
7 waters,] soda water and similar carbonated soft drinks in liquid form
8 [and] intended for human consumption, water and other
9 noncarbonated nonalcoholic drinks in liquid form intended for human
10 consumption;

11 (2) "Beverage container" means the individual, separate, sealed
12 glass, [metal] aluminum or plastic bottle, can, jar or carton less than
13 three quarts in size and containing a beverage;

14 (3) "Consumer" means every person who purchases a beverage in a

15 beverage container for use or consumption;

16 (4) "Dealer" means every person who engages in the sale of
17 beverages in beverage containers to a consumer;

18 (5) "Distributor" means every person who engages in the sale of
19 beverages in beverage containers to a dealer in this state including any
20 manufacturer who engages in such sale and includes a dealer who
21 engages in the sale of beverages in beverage containers on which no
22 deposit has been collected prior to retail sale;

23 (6) "Manufacturer" means every person bottling, canning or
24 otherwise filling beverage containers for sale to distributors or dealers;

25 (7) "Place of business of a dealer" means the location at which a
26 dealer sells or offers for sale beverages in beverage containers to
27 consumers;

28 (8) "Redemption center" means any facility established to redeem
29 empty beverage containers from consumers or to collect and sort
30 empty beverage containers from dealers and to prepare such
31 containers for redemption by the appropriate distributors;

32 (9) "Use or consumption" includes the exercise of any right or power
33 over a beverage incident to the ownership thereof, other than the sale
34 or the keeping or retention of a beverage for the purposes of sale;

35 (10) "Nonrefillable beverage container" means a beverage container
36 which is not designed to be refilled and reused in its original shape;

37 (11) "Reverse vending machine" means an automated device that
38 accepts beverage containers from redeemers and issues scrip for any
39 beverage container refund value by using a laser scanner,
40 microprocessor, or other technology to recognize the Universal
41 Product Code (UPC) or other accepted industry barcode on beverage
42 containers to determine if the container is redeemable and that
43 accumulates information regarding containers redeemed;

44 (12) "Off-site redemption center" means a redemption center that is
 45 located within a one-mile radius of a dealer, and that accepts beverage
 46 containers of the kind, size and brand sold by such dealer at the
 47 dealer's place of business; and

48 (13) "Deposit initiator" means the first distributor who is not a
 49 manufacturer to sell a beverage container in this state or a
 50 manufacturer who sells a beverage container to a person who sells a
 51 beverage container.

52 Sec. 2. Section 22a-244 of the general statutes is repealed and the
 53 following is substituted in lieu thereof (*Effective upon the enactment by*
 54 *the states of New York and Massachusetts of legislation having like effect as*
 55 *this section*):

56 (a) Every beverage container sold or offered for sale in this state,
 57 except beverage containers sold or offered for sale for consumption on
 58 an interstate passenger carrier, shall have a refund value. Such refund
 59 value shall not be less than [five] ten cents and shall be a uniform
 60 amount throughout the distribution process in this state.

61 (b) Every beverage container sold or offered for sale in this state,
 62 except beverage containers sold or offered for sale for consumption on
 63 an interstate passenger carrier, shall clearly indicate by Connecticut
 64 specific barcode, embossing, [or by] a stamp, [or by] a label or other
 65 method securely affixed to the beverage container (1) either the refund
 66 value of the container or the words "return for deposit" or "return for
 67 refund" or other words as approved by the Department of
 68 Environmental Protection, and (2) either the word "Connecticut" or the
 69 abbreviation "Ct.", provided this subdivision shall not apply to glass
 70 beverage containers permanently marked or embossed with a brand
 71 name.

72 (c) No person shall sell or offer for sale in this state any metal or
 73 aluminum beverage container (1) a part of which is designed to be
 74 detached in order to open such container, or (2) that is connected to

75 another beverage container by a device constructed of a material which
76 does not decompose by photodegradation, chemical degradation or
77 biodegradation within a reasonable time after exposure to the
78 elements.

79 Sec. 3. Section 22a-245 of the general statutes is repealed and the
80 following is substituted in lieu thereof (*Effective October 1, 2007*):

81 (a) No person shall establish a redemption center without
82 registering with the commissioner on a form provided by the
83 commissioner with such information as the commissioner deems
84 necessary including (1) the name of the business principals of the
85 redemption center and the address of the business; (2) the name and
86 address of the sponsors and dealers to be served by the redemption
87 center; (3) the types of beverage containers to be accepted; (4) the hours
88 of operation; and (5) whether beverage containers will be accepted
89 from consumers. The operator of the redemption center shall report
90 any change in procedure to the commissioner within forty-eight hours
91 of such change. Any person establishing a redemption center shall
92 have the right to determine what kind, size and brand of beverage
93 container shall be accepted. Any redemption center may be established
94 to serve all persons or to serve certain specified dealers. Private and
95 public educational institutions and municipalities may qualify to
96 become redemption centers upon application to the Department of
97 Environmental Protection. Private and public educational institutions
98 shall not be required to pay consumers the refund value of beverage
99 containers provided the refund value of such beverage containers is
100 collected for the benefit of such institutions.

101 (b) A dealer shall not refuse to accept at such dealer's place of
102 business, from any person any empty beverage containers of the kind,
103 size and brand sold by the dealer, or refuse to pay to such person the
104 refund value of a beverage container as established by subsection (a) of
105 section 22a-244, as amended by this act, unless such container contains
106 materials which are foreign to the normal contents of the container or

107 unless such container is not labeled in accordance with subsection (b)
108 of section 22a-244, as amended by this act, or unless such dealer
109 sponsors, solely or with others, [a redemption center which is located
110 within a one-mile radius of such place of business and which accepts
111 beverage containers of the kind, size and brand sold by such dealer at
112 such place of business or unless there is established by others, a
113 redemption center which is located within a one-mile radius of such
114 place of business and which accepts beverage containers of the kind,
115 size and brand sold by such dealer at such place of business] an off-site
116 redemption center. A dealer who sponsors an off-site redemption
117 center shall post in a conspicuous location within ten feet of the
118 entrances and exits of such dealer's business a notice stating the name,
119 location, hours of operation and telephone number of the off-site
120 redemption center. A dealer shall redeem an empty container of a
121 kind, size or brand the sale of which has been discontinued by such
122 dealer for not less than sixty days after the last sale by the dealer of
123 such kind, size or brand of beverage container. Sixty days before such
124 date, the dealer shall post, at the point of sale, notice of the last date on
125 which the discontinued kind, size or brand of beverage container shall
126 be redeemed.

127 (c) (1) Dealers operating a place of business of not less than one
128 hundred thousand square feet in size shall certify to the Department of
129 Environmental Protection that their beverage container redemption
130 capacity equals or exceeds seventy per cent of their sales capacity of
131 redeemable beverage containers. On-site redemption facilities
132 established or significantly expanded on or after October 1, 2007, shall
133 be located not more than two hundred feet from the business' main
134 entrance. Dealers with on-site redemption facilities established prior to
135 October 1, 2007, that are located more than two hundred feet from the
136 business' main entrance shall post notices stating the location of the
137 on-site redemption facility not more than ten feet from the business'
138 entrances and exits.

139 (2) Dealers operating a place of business of less than one hundred

140 thousand square feet in size shall certify to the Department of
 141 Environmental Protection that their on-site beverage container
 142 redemption capacity equals or exceeds seventy per cent of their sales
 143 capacity of redeemable beverage containers, or that the business uses
 144 an off-site redemption center. If the business uses an off-site
 145 redemption center, the dealer shall provide written verification to the
 146 Department of Environmental Protection that the off-site redemption
 147 center has agreed to serve as the dealer's designated redemption
 148 center, and certification that the off-site beverage container capacity is
 149 equivalent to seventy per cent of the dealer's sales capacity.

150 ~~[(c)]~~ (d) A distributor shall not refuse to accept from a dealer or from
 151 an operator of a redemption center, located and operated exclusively
 152 within the territory of the distributor or whose operator certifies to the
 153 distributor that redeemed containers were from a dealer located within
 154 such territory, any empty beverage containers of the kind, size and
 155 brand sold by the distributor, or refuse to pay to such dealer or
 156 redemption center operator the refund value of a beverage container as
 157 established by subsection (a) of section 22a-244, as amended by this
 158 act, unless such container contains materials which are foreign to the
 159 normal contents of the container or unless such container is not labeled
 160 in accordance with subsection (b) of section 22a-244, as amended by
 161 this act. A distributor shall remove any empty beverage container from
 162 the premises of a dealer serviced by the distributor or from the
 163 premises of a redemption center sponsored by dealers serviced by the
 164 distributor, provided such premises are located within the territory of
 165 the distributor, not later than seven business days after notification by
 166 the dealer that empty beverage containers are available for removal.
 167 Any distributor who requires empty beverage containers that are not
 168 redeemed through a reverse vending machine to be packaged for
 169 removal in bags, cartons or other containers shall provide each dealer
 170 or redemption center a sufficient number of bags, cartons or other
 171 containers at no cost to the dealer or redemption center. The bags,
 172 cartons, or other containers shall be provided by the distributor on a
 173 schedule that allows the dealer or redemption center sufficient time to

174 sort the empty beverage containers prior to removal by the distributor.
 175 The distributor shall provide the necessary staff or equipment for the
 176 removal of the empty beverage containers. A distributor shall not
 177 require empty beverage containers to be counted at a location other
 178 than the redemption center or dealer's place of business. The dealer or
 179 operator of the redemption center shall have the right to be present at
 180 the count. The distributor shall pay the refund value to dealers in
 181 accordance with the schedule for payment by the dealer to the
 182 distributor for full beverage containers and shall pay such refund
 183 value to operators of redemption centers not more than twenty days
 184 after receipt of the empty container. For the purposes of this
 185 subsection, a redemption center shall be considered to be sponsored by
 186 a dealer if (1) the dealer refuses to redeem beverage containers and
 187 refers consumers to the redemption center, or (2) there is an agreement
 188 between the dealer and the operator of the redemption center
 189 requiring the redemption center to remove empty beverage containers
 190 from the premises of the dealer. A distributor shall redeem an empty
 191 container of a kind, size or brand of beverage container the sale of
 192 which has been discontinued by the distributor for not less than one
 193 hundred fifty days after the last delivery of such kind, size or brand of
 194 beverage container. Not less than one hundred twenty days before the
 195 last date such containers may be redeemed, the distributor shall notify
 196 such dealer who bought the discontinued kind, size or brand of
 197 beverage container that such distributor shall not redeem an empty
 198 beverage container of such kind, size or brand of beverage containers.

199 ~~[(d)]~~ (e) In addition to the refund value of a beverage container as
 200 provided in subsection (a) of section 22a-244, as amended by this act, a
 201 distributor shall pay to any dealer or operator of a redemption center a
 202 handling fee of at least [one and one-half cents for each container of
 203 beer or other malt beverage and two] three cents for each beverage
 204 container [of mineral waters, soda water and similar carbonated soft
 205 drinks] returned for redemption. A distributor shall not be required to
 206 pay to a manufacturer the refund value of a nonrefillable beverage
 207 container.

208 [(e)] (f) The Commissioner of Environmental Protection shall adopt
 209 regulations, in accordance with the provisions of chapter 54, to
 210 implement the provisions of sections 22a-243 to 22a-245, inclusive, as
 211 amended by this act. Such regulations shall include, but not be limited
 212 to, provisions for the redemption of beverage containers dispensed
 213 through automatic vending machines, the use of vending machines
 214 which dispense cash to consumers for redemption of beverage
 215 containers, scheduling for redemption by dealers and distributors and
 216 for exemptions or modifications to the labeling requirement of section
 217 22a-244, as amended by this act.

218 Sec. 4. (NEW) (*Effective April 1, 2007, and applicable to sales occurring*
 219 *on or after April 1, 2007*) (a) Each deposit initiator shall open a special
 220 interest-bearing account to the credit of the deposit initiator. Each
 221 deposit initiator shall invest in such account an amount equal to the
 222 refund value established pursuant to subsection (a) of section 22a-244
 223 of the general statutes, as amended by this act, for each beverage
 224 container containing water or other noncarbonated nonalcoholic
 225 drinks sold by such deposit initiator. Such investment shall be made
 226 not more than three days after the date such beverage container was
 227 sold. All interest, dividends and returns earned on the special account
 228 shall be paid directly into such account. Such moneys shall be kept
 229 separate and apart from all other moneys in the possession of the
 230 deposit initiator.

231 (b) Any reimbursement of the refund value for a redeemed
 232 beverage container containing water or other noncarbonated
 233 nonalcoholic drinks shall be paid from the deposit initiator's special
 234 account in the manner prescribed in the accounting system established
 235 by the Commissioner of Revenue Services.

236 (c) Each deposit initiator shall submit a report on July 31, 2007, for
 237 the immediately preceding calendar quarter, and one month after the
 238 close of each calendar quarter thereafter, to the Commissioner of
 239 Environmental Protection, on a form prescribed by the commissioner

240 and with such information the commissioner deems necessary,
241 including, but not limited to: (1) The balance in the special account at
242 the beginning of the quarter for which the report is prepared; (2) a list
243 of all deposits credited to such account during such quarter, including
244 all refund values paid to the deposit initiator and all interest,
245 dividends or returns received on the account; (3) a list of all
246 withdrawals from such account during such quarter, all service
247 charges and overdraft charges on the account and all payments made
248 pursuant to subsection (d) of this section; and (4) the balance in the
249 account at the close of the quarter for which the report is prepared.

250 (d) The balance outstanding in the special account shall be paid by
251 the deposit initiator one month after the close of the calendar quarter
252 to the commissioner for deposit in the beverage container redemption
253 assistance account established by section 6 of this act. If the amount of
254 the required payment pursuant to this subsection is not paid within
255 seven days after it is due, a penalty of ten per cent of the amount due
256 shall be added to the amount due and an additional five per cent
257 penalty shall be added for each day thereafter that such payment is not
258 submitted. Such penalties shall not be paid from funds maintained in
259 the special account.

260 (e) If moneys deposited in the special account are insufficient to pay
261 for withdrawals authorized pursuant to subsection (b) of this section,
262 such deficiency shall be added, with interest, to the succeeding
263 payment due pursuant to subsection (d) of this section.

264 (f) The State Treasurer may, independently or upon request of the
265 commissioner, examine the accounts and records of any deposit
266 initiator referring to accounts and records maintained under sections
267 22a-243 to 22a-245, inclusive, of the general statutes, as amended by
268 this act, including receipts, disbursements and such other items as the
269 Treasurer deems appropriate. The Treasurer may assess a surcharge in
270 the amount of ten per cent per annum for any audit adjustments to
271 accounts or records maintained under said sections 22a-243 to 22a-245,

272 inclusive, of the general statutes, as amended by this act, and this
273 section, during any fiscal year, and ten per cent per annum, together
274 with interest, for any underpayment of the payment established by
275 subsection (d) of this section. Such penalties shall not be paid from
276 funds maintained in the special account.

277 (g) The Attorney General may, independently or upon complaint of
278 the commissioner, institute any appropriate action or proceeding to
279 enforce any provision of this section or any regulation adopted
280 pursuant to section 22a-245 of the general statutes, as amended by this
281 act, to implement the provisions of this section.

282 Sec. 5. Section 22a-246 of the general statutes is repealed and the
283 following is substituted in lieu thereof (*Effective April 1, 2007, and*
284 *applicable to sales occurring on or after April 1, 2007*):

285 Any person who violates any provision of section 22a-244, as
286 amended by this act, [or] 22a-245, as amended by this act, or section 4
287 of this act shall be fined not less than fifty dollars nor more than one
288 hundred dollars, and for a second offense shall be fined not less than
289 one hundred dollars nor more than two hundred dollars and for a
290 third and each additional offense shall be fined not less than two
291 hundred fifty dollars nor more than five hundred dollars.

292 Sec. 6. (NEW) (*Effective July 1, 2007*) There is established a beverage
293 container redemption assistance account, which shall be a separate,
294 nonlapsing account within the General Fund which shall be funded
295 from the transfer of the balance of the special accounts, in accordance
296 with section 4 of this act. The proceeds from such transfer shall be used
297 for a grant to the Department of Environmental Protection, twenty per
298 cent of such proceeds which shall be retained by the Department of
299 Environmental Protection to fund recycling education and outreach
300 programs of the department and to enable the department to assist
301 municipalities to achieve the goal of fifty-eight per cent municipal
302 solid waste disposal diversion as set forth in the state-wide solid waste
303 management plan established under section 22a-228 of the general

304 statutes; and eighty per cent of such proceeds which shall be used for
 305 grants-in-aid to municipalities to promote recycling.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	22a-243
Sec. 2	<i>upon the enactment by the states of New York and Massachusetts of legislation having like effect as this section</i>	22a-244
Sec. 3	<i>October 1, 2007</i>	22a-245
Sec. 4	<i>April 1, 2007, and applicable to sales occurring on or after April 1, 2007</i>	New section
Sec. 5	<i>April 1, 2007, and applicable to sales occurring on or after April 1, 2007</i>	22a-246
Sec. 6	<i>July 1, 2007</i>	New section

Statement of Purpose:

To expand the bottle deposit provisions and to recapture some of the unclaimed bottle and can deposits.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]